CHAPTER 3

ISSUE, BACKORDER, DEMAND, LOAN AND SMCA FREEZE/
UNFREEZE TRANSACTIONS

A.   GENERAL

     1.   This chapter provides a standard procedure for processing issue transaction information from an SCA to an ICP for the purpose of:

          a.   Updating the central inventory control record.

          b.   Recording the appropriate financial transaction.

          c.   Providing a basis for billing the customer.

     2.   Processing points receiving requisitions, passing actions, followups and cancellations, irrespective of format or method of transmission, will process such transactions in accordance with their respective internal procedures.

     3.   Internal processing methods may vary due to mechanical capability and related procedures; however, the forms and formats for output from processing point to requisitioner and between processing points will be in the form and formats prescribed in MI LSTRIP (reference (h)) and this manual.

B.   ISSUE TRANSACTIONS

     1.   The issue transaction which accounts for the materiel directed for issue, is prepared on DD Form 1348m, DoD Single Line Item Requisition System Document (Mechanical).   Issue transactions are identified by DI codes in the D7 series which are assigned and explained in appendix B1.   Alignment and format are shown in appendix C3.   This transaction will be used in transmitting issue data from the SCA to the ICP or to another SCA.

     2.   Issue transactions resulting from a backorder release are identified by issue transaction related Management Code M in record position 72 (see appendix B7).

C.   ISSUE OF MATERIEL FOR ASSEMBLY, DISASSEMBLY, CONVERSION, MODIFI-
     CATION, REPAIR, AND TEST

     1.   Issue transactions utilizing DI Code D7L will be submitted to report transfer of:

          a.   Components for assembly action.

b. End items for disassembly action.

c. End items for conversion and modification.

2. Transfer of materiel to commercial/industrial activities for **intra-Service/Agency** accomplished repair will be reported by submission of issue transactions containing **DI Code D7M.** When a Service or Agency is repairing items for another Service or Agency, or when repair is to be accomplished at a maintenance facility, induction of items will be reported in accordance with chapter 5, section F. of this chapter.

3. Transfer of items for testing will be reported as follows:

a. Items for destructive testing by submission of issue **transactions** containing **DI** Code D7G.

b. Items for testing at a commercial/Government activity by submission of issue transactions identified by **DI** Code D7M.

D. <u>BACKORDER TRANSACTIONS</u>

Backorder transactions prepared on **DD** Form **1348m** are identified by document identifiers in the **DG** series. Alignment and format are shown in appendix C14. This transaction will be used to report establishment or cancellation of a backorder between SCAS and **ICPs.**

E. <u>DEMAND TRANSACTIONS</u>

Demand transactions, **DI** Code DHA, may be used between supported activities and **ICPS** to report the establishment or cancellation of supply system demands, or may be used by **ICPs** as a technique for recording and accumulating demands for NSN items resulting from processing **MILSTRIP,** reference (h), requisitions, passing orders, or other forms of supply system demands. **Alignment** and format for **DI** Code DHA are shown in appendix **C15.**

F. <u>LOAN TRANSACTIONS</u>

1. When authority is given to loan Government-owned materiel, supporting documentation pertaining to the terms and conditions of the loan will be maintained in a manual jacket file. As a minimum, the file should contain appropriate records to provide information on the purpose of the loan/authorization, location(s) of the materiel, condition of materiel at time of loan, loan duration, quantity, and value of materiel loaned.

2. If accountability is dropped, issue (loan) transactions (DI **Code** D7N) will normally be utilized to loan materiel from depot inventory to authorized recipients. Some centralized systems do not use the D7_ for effecting issues; however, the method applied should

reflect the issue of loan materiel for audit and accountability pur-
poses. For a decentralized system, the D7N transaction, if created
by other than the IMM, may be transmitted between SCA and ICP.
Alignment and format are contained in appendix C7.

G. SMCA FREEZE/UNFREEZE ACTIONS

1. Processing of **MILSTRAP** and **MILSTRIP** 'transactions such as
mismatched Location Audit Reconciliation Request Cards **(DI** Code DZH)
or Materiel Release Denials **(DI** Code **A6_)** may require the SMCA to
freeze and, when resolved, to unfreeze **wholesale** assets at a specific
storage activity for a given stock or part number, ownership/purpose
code, and supply condition code.

2. When such freeze or unfreeze actions are taken, the SMCA will
provide SMCA freeze/unfreeze action (DI Code DA1 or DA2, as appro-
priate) to the owning Service **ICP** for update of the **ICP** wholesale
financial accountable records.